



**February 2005**

# **Missouri Producer**

## **Missouri Farm Service Agency**

Parkade Center, Suite 225  
601 Business Loop 70 W  
Columbia, MO 65203  
[www.fsa.usda.gov/mo](http://www.fsa.usda.gov/mo)

### **Hours**

Monday - Friday  
8:00 a.m. - 4:30 p.m.

### **State Committee**

Don Fischer, Chairman  
Julie Hurst  
Craig Westfall  
Barbara Wilson  
Vacant

### **Staff**

Tim Kelley, State Executive Director  
Patty Dick, Administration  
Dan Gieseke, Farm Loans  
Bo Wendleton, Compliance  
Gerald Hrdina, Conservation  
Maurine Long, Price Support  
Mike Lafollette, Production Flexibility

## **New Ag Secretary Sworn In**



Mike Johanns was sworn in as the 28th Secretary of the U.S. Department of Agriculture on Jan. 21, 2005. Sec. Johanns' strong agricultural roots stretch back to his childhood. He was born in Iowa and grew up doing chores on his family's dairy farm. As the son of a dairy farmer, he developed a deep respect for the land and the people who work it. He still describes himself as "a farmer's son with an intense passion for agriculture."

That passion showed during Johanns' tenure as Nebraska's 38th governor. During his six years in office, Johanns was a strong advocate for rural communities and farmers and ranchers.

## **Lamb Referendum Underway**

The Farm Service Agency is conducting a referendum through Feb. 28 on the Lamb Checkoff. The checkoff program, authorized by the Commodity Promotion, Research and Information Act of 1996, provides for assessments on the sale of lamb and lamb products. The proceeds are used by the sheep industry board to carry out promotion, research and informational programs designed to increase the demand for lamb products.

In order to renew the checkoff program a majority of the eligible voters represented by the referendum must vote for the lamb checkoff to be continued.

To be an eligible participant, producers must certify and provide documentation, such as a sales receipt or a remittance form, that shows they have been engaged in the production, feeding or slaughtering of lambs during the 2004 calendar year.

Referendum forms, LS-86, may be obtained at the FSA county office in person, by mail or by fax. The Agricultural Marketing Service will post forms on their Internet Web site at <http://www.ams.usda.gov>.

The forms and accompanying documentation returned in person or by fax must be received in the FSA county office prior to the close of business on Feb. 28.

Dates to Remember	
Feb. 21	Washington's Birthday. FSA offices closed.
Mar. 15	Final application date for Noninsured Crop Disaster Assistance Program.
Mar. 20-26	National Ag Week
Mar. 31	Final loan/LDP availability date for small grains.
Mar. 31	Final date for Graze Out LDP
Mar. 31	Final date for honey LDPs/loans.
June 1	Final application date for 2005 DCP.
Continues	Farm Storage Facility Loans
Continues	Grasslands Reserve Program

Mailed materials must be postmarked no later than midnight Feb. 28, and received in the FSA office by March 7.

### ***Honey Loans Available***

Marketing assistance loans and loan deficiency payments for 2004 crop year honey are available until March 31, 2005. The national loan rate for honey is \$0.60 per pound. Market prices currently exceed the loan rate, so LDPs are not available right now.

To be eligible for a loan, the producer must have produced honey in the United States during the calendar year for which the loan is requested, and extracted the honey on or before Dec. 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping. Producers are responsible for maintaining the quality of farm-stored honey during the term of the loan.



The honey must be produced in the United States by an eligible producer, from an approved floral source, and stored in approved containers.

Honey producers requesting marketing assistance loans may now pack their honey in approved five-gallon plastic containers. The containers must hold about 60 pounds of honey, have a tight fitting cover, have strong handles and be lined with an FDA-approved low-density polyethylene liner.

The containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Honey used as collateral may not be disposed of without approval of the county office staff.

### ***Tax Withholding for Non-Resident Aliens***

When CCC payments are made to Non-Resident Aliens, FSA will automatically deduct a 30 percent withholding tax. However, if you are not a U.S. citizen and you receive FSA benefits, taxes will not be withheld if you can present a valid Green Card (I-551 or I-151). Exception: Withholding taxes will always apply to corporations having 10 percent or more foreign ownership.

### ***1099s Will Soon Be Arriving***

During the last week of January, producers who have received payment from FSA will receive a CCC-1099 in the mail from our Kansas City office. A CCC-

<b>Selected Interest Rates for February 2005</b>	
90-Day Treasury Bill	2.250%
Farm Operating - Direct	4.125%
Farm Ownership - Direct	5.375%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency	3.750%
Farm Storage Facility	4.000%
Sugar Storage Facility	4.625%
Commodity Loans 1996- Present	3.750%

1099 is a report to the Internal Revenue Service about FSA payments made to you in year 2004. The CCC-1099 is a service to help you report taxable income. It is not intended to replace your responsibility to report income to the IRS.

If you receive a CCC-1099, we recommend that you check the amounts shown with your records to see that the amounts are correct. If you find the amounts are not correct, or if you have a question concerning the form contact us. If you choose to visit the office, bring the CCC-1099 with you so that we may more readily identify the questionable items. If there is an error, we will furnish you with a corrected form CCC-1099.

### ***Loan Limits Increased***

Effective Oct. 1, 2004, FSA's guaranteed loan limits have increased. Limits include new guaranteed loans plus any outstanding direct or guaranteed principle balances, as indicated, owed by anyone who will sign the promissory note.

The total outstanding:

- Combined guaranteed Farm Ownership (FO) and Farm Operating (OL) principle balance cannot exceed \$813,000;
- Direct and guaranteed FO principle balance cannot exceed \$813,000;
- Direct and guaranteed OL principle balance cannot exceed \$813,000;
- Combined outstanding direct and guaranteed FO and OL balance cannot exceed \$1,013,000; and
- Combined outstanding direct and guaranteed FO, OL and Emergency Loans (EM) balance cannot exceed \$1,513,000.

### ***Real Estate for Sale***

FSA's Inventory Property Web site provides an online guide to government-owned real estate and potential foreclosure sales information, which includes farm/ranch properties, houses, lots and buildings. Purchase preferences are given to beginning farmers who have operated a farm or ranch for not more than 10 years; this requirement also applies to all members of an entity.



The site provides access to detailed information about each of the properties and links to other USDA Web sites providing a variety of services. Lenders are welcome to use this Web site as a resource by visiting: <http://www.resales.usda.gov>.

### ***Apply for Your Loan Today***

FSA is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are available now.

Ask your lender about an FSA loan guarantee if you have had a setback and your lender is reluctant to extend or renew your loan.

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Loan funds are available now — applying early is important so that a loan can be processed and funded timely.

Most of our loan programs have special funding available for minority, female and beginning farmers.

FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact the county office staff.

### ***This Newsletter...***

...is the primary method we have of contacting you, our customer, directly. Our goal in producing the newsletter is to make you *aware* of the availability of farm programs and to periodically remind you of certain program requirements.

We recognize that due to limited space we cannot tell you everything you may want or need to know about a program you may be interested in or eligible for.

Through this newsletter, we will try to provide you with enough *basic* information about our programs for you to decide whether you are interested in learning more about them. If an article piques your interest, please contact the county office staff and we will provide you with the detailed program information you need to make an informed decision.

In the meantime, we hope you find this newsletter useful, and we welcome your suggestions for improving it.

### ***Asian Soybean Rust***

Asian soybean rust is an insured peril under the Federal crop insurance program; however, according to the Risk Management Agency, damage due to the insufficient or improper application of disease control measures is not covered. RMA reminds insured producers that they are expected to use good farming practices and follow recommendations of ag experts to control Asian soybean rust.

Under the terms of the Common Crop Insurance Policy, a practice is considered a good farming practice if agricultural experts agree that the production method used will allow the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee.

For information regarding good farming practices and crop insurance protection against Asian soybean rust, please see the crop policies area on the RMA Web site at <http://www.rma.usda.gov>.

### ***New Farm Loan Fact Sheet***

FSA has developed a new fact sheet, "How to Complete an FSA Loan Application," that provides step-by-step instructions on the forms and other

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

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information that farmers, ranchers and other agricultural producers need to apply for a direct farm loan.

The new fact sheet, which is must read material if you are planning to apply for a direct loan, is available at the county office or via the Internet at <http://www.fsa.usda.gov/pas/publications/facts/pubfacts.htm>.